

AMENDMENTS TO LB 226

Introduced by Business and Labor

1 1. Strike the original sections and insert the following
2 sections:

3 Section 1. Section 48-720, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 48-720 As used in the Boiler Inspection Act, unless the
6 context otherwise requires:

7 (1) Authorized inspection agency means an authorized
8 inspection agency as defined in NB-369, National Board
9 Qualifications and Duties for Authorized Inspection Agencies (AIAs)
10 Performing Inservice Inspection Activities and Qualifications for
11 Inspectors of Boilers and Pressure Vessels;

12 ~~(1)~~ (2) Board means the Boiler Safety Code Advisory
13 Board;

14 ~~(2)~~ (3) Boiler means a closed vessel in which water or
15 other liquid is heated, steam or vapor is generated, steam or
16 vapor is superheated, or any combination thereof, under pressure
17 or vacuum, for internal or external use to itself, by the direct
18 application of heat and an unfired pressure vessel in which the
19 pressure is obtained from an external source or by the application
20 of heat from an indirect or direct source. Boiler includes a fired
21 unit for heating or vaporizing liquids other than water only when
22 such unit is separate from processing systems and complete within
23 itself; and

1 ~~(3)~~ (4) Commissioner means the Commissioner of Labor; and

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3 (5) Department means the Department of Labor.

4 Sec. 2. Section 48-722, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 48-722 (1) Except as provided in subsection ~~(2)~~ (3) of
7 this section, the state boiler inspector shall inspect or cause
8 to be inspected at least once every twelve months all boilers
9 required to be inspected by the Boiler Inspection Act to determine
10 whether the boilers are in a safe and satisfactory condition and
11 properly constructed and maintained for the purpose for which the
12 boiler is used, except that (a) hobby boilers, steam farm traction
13 engines, portable and stationary show engines, and portable and
14 stationary show boilers, which are not otherwise exempted from the
15 act pursuant to section 48-726, shall be subject to inspection
16 at least once every twenty-four months and (b) the commissioner
17 may, by rule and regulation, establish inspection periods for
18 pressure vessels of more than twelve months, but not to exceed the
19 inspection period recommended in the National Board Inspection Code
20 or the American Petroleum Institute Pressure Vessel Inspection Code
21 API-510 for pressure vessels being used for similar purposes. In
22 order to ensure that inspections are performed in a timely manner,
23 the department may contract with an authorized inspection agency
24 to perform any inspection authorized under the Boiler Inspection
25 Act. If the department contracts with an authorized inspection
26 agency to perform inspections, such contract shall be in writing
27 and shall contain an indemnification clause wherein the authorized

1 inspection agency agrees to indemnify and defend the department
2 for loss occasioned by negligent or tortious acts committed by
3 special inspectors employed by such authorized inspection agency
4 when performing inspections on behalf of the department.

5 (2) No boilers required to be inspected by the act shall
6 be operated without valid and current certification pursuant to
7 rules and regulations adopted and promulgated by the commissioner
8 in accordance with the requirements of the Administrative Procedure
9 Act. The owner of any boiler installed after September 2, 1973,
10 shall file a manufacturer's data report covering the construction
11 of such boiler with the state boiler inspector. Such reports shall
12 be used to assist the state boiler inspector in the certification
13 of boilers. No boiler required to be inspected by the Boiler
14 Inspection Act shall be operated at any type of public gathering or
15 show without first being inspected and certified as to its safety
16 by the state boiler inspector or a special inspector commissioned
17 pursuant to section 48-731. Antique engines with boilers may be
18 brought into the state from other states without inspection, but
19 inspection as provided in this section shall be made and the boiler
20 certified as safe before being operated.

21 ~~(2)~~ (3) The commissioner may, by rule and regulation,
22 waive the inspection of unfired pressure vessels registered with
23 the State of Nebraska if the commissioner finds that the owner or
24 user of the unfired pressure vessel follows a safety inspection and
25 repair program that is based upon nationally recognized standards.

26 Sec. 3. Section 48-730, Reissue Revised Statutes of
27 Nebraska, is amended to read:

1 48-730 Before any boiler required to be inspected by the
2 Boiler Inspection Act is installed, a ten days' written notice of
3 intention to install the boiler shall be given to the commissioner,
4 except that the commissioner may, upon application and good cause
5 shown, waive the ten-day prior notice requirement. The notice shall
6 designate the proposed place of installation, the type and capacity
7 of the boiler, the use to be made of the boiler, the name of the
8 company which manufactured the boiler, and whether the boiler is
9 new or used. A boiler moved from one location to another shall be
10 reinspected prior to being placed back into use.

11 Sec. 4. Section 48-731, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 48-731 (1)(a) The ~~Division~~ Office of Safety and Labor
14 Standards of the Department of Labor may issue a special inspector
15 commission to an inspector in the employ of a company if the
16 inspector has previously passed the examination prescribed by
17 the National Board of Boiler and Pressure Vessel Inspectors and
18 the company is an insurance company authorized to insure boilers
19 in this state against loss from explosion or is an authorized
20 inspection agency.

21 (b) Each ~~insurance company~~ which special inspector
22 employed by an insurance company or authorized inspection agency
23 who has been issued a special inspector commission under this
24 section shall submit to the state boiler inspector complete data of
25 each boiler required to be inspected by the Boiler Inspection Act
26 which is insured or inspected by such ~~company~~ insurance company or
27 authorized inspection agency on forms approved by the commissioner.

1 (c) Insurance companies shall notify the ~~division~~
2 department of new, canceled, or suspended risks relating to insured
3 boilers. Insurance companies shall notify the ~~division~~ department
4 of all boilers which the company insures, or any boiler for which
5 insurance has been canceled, not renewed, or suspended within
6 thirty days after such action. Authorized inspection agencies shall
7 notify the department of any new or canceled agreements relating to
8 the inspection of boilers or pressure vessels within thirty days
9 after such action.

10 (d) Insurance companies and authorized inspection
11 agencies shall immediately notify the ~~division~~ department of
12 defective boilers. If a special inspector employed by an insurance
13 company, upon the first inspection of new risk, finds that the
14 boiler or any of the appurtenances are in such condition that
15 the inspector's company refuses insurance, the company shall
16 immediately submit a report of the defects to the state boiler
17 inspector.

18 (2) The inspection required by the act shall not be ~~made~~
19 required if (a) an annual inspection is made under a city ordinance
20 which meets the standards set forth in the act, (b) a certificate
21 of inspection of the boiler is filed with the commissioner with
22 a certificate fee, and (c) the inspector for the city making
23 such inspection is required by such ordinance to either hold a
24 commission from the National Board of Boiler and Pressure Vessel
25 Inspectors commensurate with the type of inspections performed by
26 the inspector for the city or acquire the commission within twelve
27 months after appointment.

1 (3) The commissioner may, by rule and regulation, provide
2 for the issuance of a special inspector commission to an inspector
3 in the employ of a company using or operating an unfired pressure
4 vessel subject to the act for the limited purpose of inspecting
5 unfired pressure vessels used or operated by such company.

6 (4) All inspections made by a special inspector shall be
7 performed in accordance with the act, and a complete report of such
8 inspection shall be filed with the ~~division~~ department in the time,
9 manner, and form prescribed by the commissioner.

10 (5) The state boiler inspector may, at his or her
11 discretion, inspect any boiler to which a special inspector
12 commission applies.

13 (6) The commissioner may, for cause, suspend or revoke
14 any special inspector commission.

15 (7) No authorized inspection agency shall perform
16 inspections of boilers in the State of Nebraska unless
17 the authorized inspection agency has insurance coverage for
18 professional errors and omissions and comprehensive and general
19 liability under a policy or policies written by an insurance
20 company authorized to do business in this state in effect at the
21 time of such inspection. Such insurance policy or policies shall
22 be in an amount not less than the minimum amount per occurrence
23 as established by the commissioner. Such minimum amount shall
24 be established with due regard to the protection of the general
25 public and the availability of insurance coverage, but such minimum
26 insurance coverage shall not be less than one million dollars per
27 occurrence for professional errors and omissions and one million

1 dollars for comprehensive and general liability.

2 Sec. 5. Section 48-736, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 48-736 Any person, persons, corporations, and the
5 directors, managers, superintendents, and officers of such
6 corporations violating the Boiler Inspection Act shall be guilty of
7 a Class V III misdemeanor.

8 Sec. 6. Original sections 48-720, 48-722, 48-730, 48-731,
9 and 48-736, Reissue Revised Statutes of Nebraska, are repealed.